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10 MAY 1974

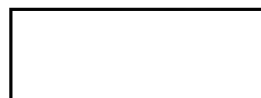
MEMORANDUM FOR: Deputy Director for Management and Services  
SUBJECT : Activity Report - Office of Finance

1. The following is a summary of certain significant activities of the Office of Finance for the week ended 10 May 1974:

a. Payroll

(1) All components were supplied revised Time and Attendance Cards for Pay Period 11 covering the period 28 April through 11 May 1974 to provide for reporting current data in a format that will permit subsequent dual computations required by the Fair Labor Standards Act (FLSA) effective 1 May 1974. Interim T&A reporting instructions have been issued and T&A clerks from the independent offices and the four Directorates have attended briefing and question and answer sessions conducted by Compensation and Tax Division.

(2) Thanks and appreciation are due to OL (Printing Services Division and Forms Management) and to OJCS for the professionalism and cooperation evidenced in the crash efforts of all concerned required to translate the rough draft of a revised form made available on Tuesday afternoon last week to a supply of rerun T&A cards for Pay Period 11 which were picked up by C&TD over the weekend for distribution to the offices on Monday this week.



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**SECRET**

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(3) OJCS and Compensation and Tax Division personnel met to discuss payroll system revisions required to implement FLSA. There are a number of substantive questions concerning application of the new law which are as yet unresolved by the Civil Service Commission. We are proceeding with OJCS in our examination of options as to the most effective manner in which the new requirements can be satisfied.

(4) OJCS has designated representatives to begin necessary computer programming and operations to pay the retroactive raise for the period 1 October 1972 - 1 January 1973. We will work closely with this group in an effort to make these payments as expeditiously as possible.

b. Watergate File Review. The Office of Finance Watergate File Review was completed and the results reported to Mr. [ ] the DDM&S Responsible Officer, on 7 May 1974.

c. Early Closing of May Financial Activity. At the request of the Comptroller, we have coordinated arrangements with all offices to close the books for all financial activity for the month of May as of the close of business 28 May. This will give the Comptroller an earlier opportunity to review status of funds to consider reprogramming requirements. This effort has been coordinated with Office of Logistics, Office of Joint Computer Support, and Directorate Planning Offices.

d. Development of Computer Program for Retirement Computations. The Analysis Branch, Accounts and Analysis Division, has completed development of a computer program (in the BASIC language) for the Retirement Section, Compensation and Tax Division, which will potentially replace the present manual procedures for computing retirement annuities under CIARDS. The system, now in the test phase, will use only unclassified or sterile data elements. It will substantially reduce processing time and greatly facilitate retirement processing for annuitants, particularly during the June retirement peak period. It is

**SECRET**

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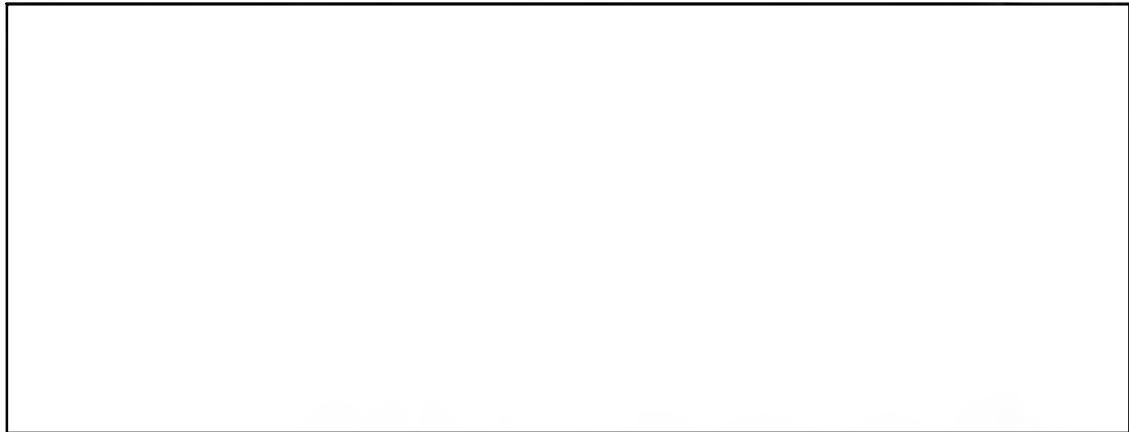
anticipated that the program will also be used to recompute the several hundred annuities affected by the 1972 retroactive pay raise. The Directors and Deputy Directors of the Office of Finance and Office of Joint Computer Support have been briefed on the new system, as has the Information Science Training Staff, Office of Training, which assisted in its development. Briefings are being scheduled for the Directors of Security and Training and Chief, Audit Staff, after which a final decision will be made as to whether to go operational with the program using a commercial time sharing system.

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i. VIP. We recently received official notification from the [redacted] that the actual rate of interest used for computing interest earned on the Income Fund for 1973 was 7.988% as contrasted to the guaranteed rate of 7.550%. This resulted in an additional credit of \$2,884 to the Income Fund account which together with accrued interest since 1 January 1974 translates to a \$.02 increase in the value of each Income Fund unit outstanding as of 1 May.

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j. Training. [redacted] is attending the OTR sponsored "Information Science for Managers" course this week.

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2. Next week we plan to request publication of an all employee notice regarding payment of the retroactive pay raise. We will also follow up with the Civil Service Commission for certain FLSA interpretations required to proceed with the development of specification requirements for the computer programming for implementation of FLSA.



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Thomas B. Yale  
Director of Finance

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